



Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

To: RCSA Leadership Advisory Committee

From: Amanda Battles, Assistant Director, Natalie Dillion, Regional Director

Subject: Financial Update (Agenda Item #10)

Date: April 19, 2023

SFY 2022-23 Financial Update

We anticipate that the Regional Agency will come in under budget for FY 2022-23. Like others we have experienced rising costs across the board throughout the year and have been struggling with hiring and retention. While certainly not ideal, vacancies have offset some of those rising costs and allowed us some savings. The most significant cost increases for 2022-23 we saw were related to the salary increases mentioned in the general update. To reduce our unspent allocation, we have initiated some recent training agreements, a website redesign, and possibly an additional vehicle. An additional vehicle will allow for greater flexibility in travel for employees in the Regional Agency.

Consolidation of expenses into Yolo County continues but has leveled off. Most contracts are now through Yolo County. We did not end up with a Colusa County specific budget in 2022-23 but are paying Colusa directly for a few remaining costs such as cost plan, retiree health, and unemployment. Remaining expenses in the Sutter County budget are primarily related to cost plan, technology, and costs associated with salaries and benefits for remaining Sutter employees.

SFY 2023-24 Financial Update

On February 16, 2023, the California Department of Child Support Services (DCSS) issued CSSI Letter 23-01 Administrative and Electronic Data Processing Initial Allocations for State Fiscal Year 2023-24 (Attachment A). This letter, attached, reflects an increase to the Regional Agency's allocation of only \$6,906. Final allocation letters will be issued by CA DCSS, typically after the state budget is signed.

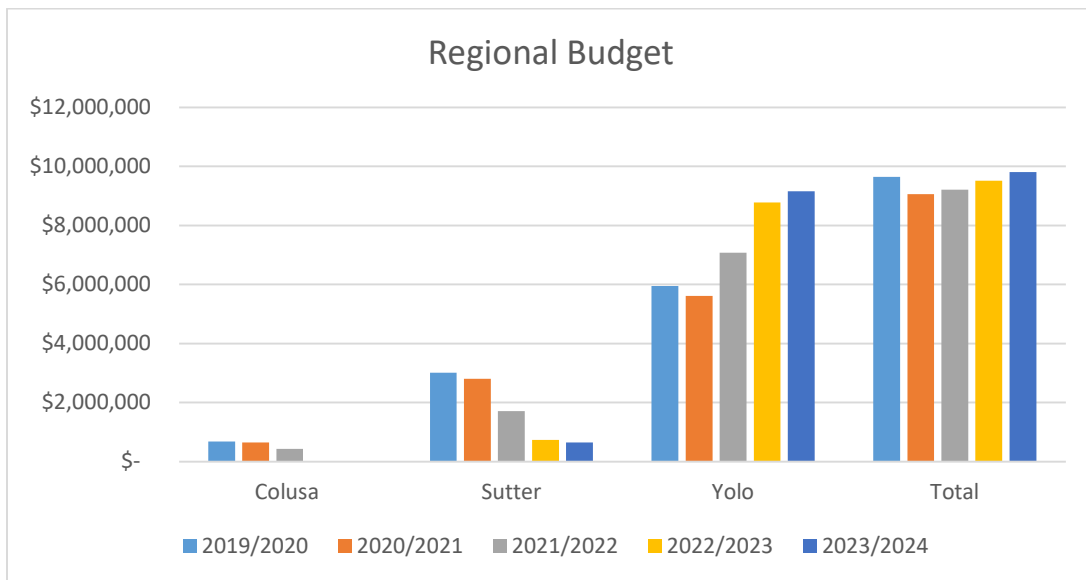
DCSS allocates to Local Child Support Agencies based on an established funding methodology. Historically, any of our unused allocation would be returned. However, now we can keep Federal Performance Incentive Funds (FPIF) up to a cap, which is currently \$250,000. We do



Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

not anticipate spending FPIF in 2022-23. We have budgeted use of FPIF in 2023-24 allowing us to keep our same Full Time Equivalent (FTE) levels at 66 funded positions. However, we anticipate that through salary savings we will not need to utilize all or possibly any of this funding.

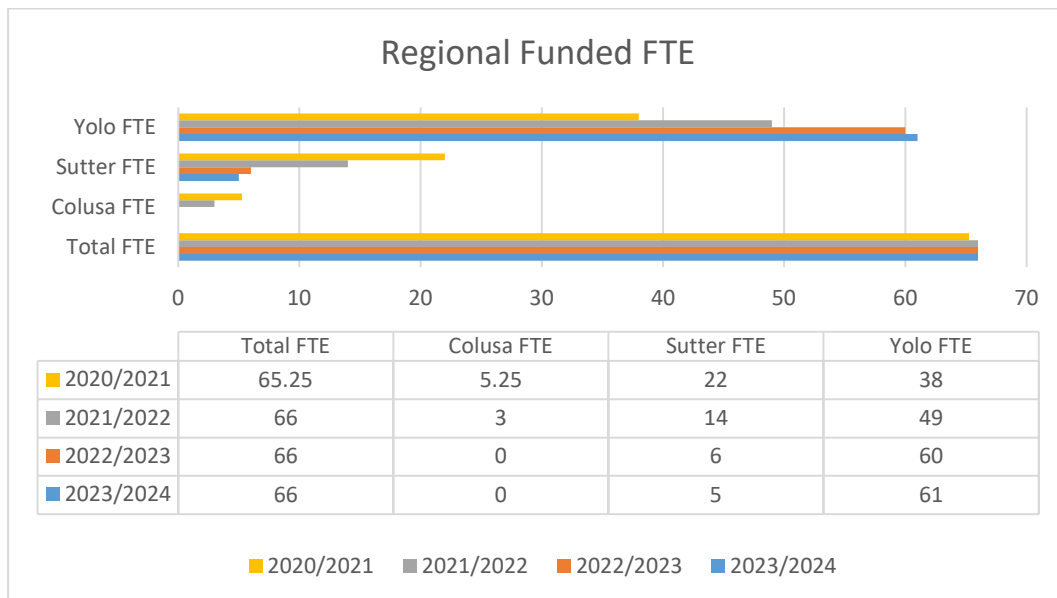
Departmental proposed budgets have been submitted to Sutter and Yolo counties totaling \$9,803,819 for the region. This is inclusive of \$81,908 allocated from Glenn County related to 50% of a shared attorney and budgeting to our FPIF. The chart below shows how our county budgets have changed over time as we have moved through our regional journey.





Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

The chart below shows how the regional agencies funded full time equivalents are changing over time. Five Sutter County employees have not yet chosen to transition to Yolo County and have until December of 2025 to do so.



Regional Funding Efforts

Background

DCSS, created under California Family Code § 17200 was designated to administer the Title IV-D state plan for securing child and spousal support, medical support and determining paternity. Each California county or group of counties has a Local Child Support Agency (LCSA) dedicated solely to child support services.

Federal regulations, codified at 45 CFR § 303.20, state that there must be an “organizational structure and sufficient resources at the State and local level to meet performance and time standards.” Consistent with this policy, the California Family Code § 17206 requires that DCSS ensures there is an adequate organizational structure and sufficient staff to perform functions delegated to any governmental unit.



Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

In 2018, the Child Support Directors Association (CSDA) worked in collaboration with DCSS to establish a budget methodology for the allocation of program funds which considers caseload variations between LCSAs and average FTE costs to provide the minimum resources to each local agency to complete mandated activities and to meet minimum federal and state management requirements. This methodology was ultimately adopted, and the plan was to roll out full implementation over several years, with full implementation by SFY 2023-24. However, given the size of the projected budget deficit, the Governor's Budget does not fully fund the program as previously planned. The CSDA continues to advocate for the program's needs, but given the size of the deficit, the Association is appreciative of the additional money that is included in the Governor's January Budget. This does mean that we continue to not achieve equity across California Counties. Yolo County submitted a letter in support of the \$35.8 million the Governor included in his January Budget (Attachment B).

Although the new methodology made significant progress towards equity across counties, and provided welcome relief to many local agencies, it needs further analysis as it did not contemplate major program changes and associated workload for changes such as FEM Final Rule, Uncollectible Debt and Pass Through, referenced in the prior Leadership Advisory Committee Meetings' General Update.

Issue

Not only is the funding methodology not fully implemented, but it is also not being implemented consistently. As a result, it is negatively affecting counties that have regionalized their child support operations budgets including Colusa Sutter Yolo. There are six regional LCSAs, Central Sierra (Alpine, Amador, Calaveras and Tuolumne), Colusa Sutter Yolo, Eastern Sierra (Inyo Mono), Santa Cruz/San Benito, Sierra Nevada and Siskiyou Modoc that are funded based on combined caseload. Colusa Sutter Yolo, given the recency of our regionalization, is in the process of transitioning to a single allocation (We no longer receive a separate Colusa allocation, the money has been moved to the Yolo allocation, and we receive a partial Sutter allocation to cover the costs associated to the few remaining staff – the remainder of the Sutter allocation was also transitioned to Yolo.) There are two LCSAs, North Coast (Humboldt and Trinity) and Merced/Mariposa who are already funded based on each county allocation, as opposed to a single agency formula. This requires these last two agencies to continue to build separate county budgets, corresponding separate state claims, have redundancy in contracts, and operate less efficiently.



Colusa, Sutter and Yolo Regional Child Support Agency Leadership Advisory Committee

Most of the counties represented by regional child support agencies are small or very small. An adjustment to the budget methodology made early on, recognized the unique circumstances of small and very small counties by incorporating a round up feature relative to staffing. Such that if the methodology reflects a .6 FTE for example, the figure is rounded up to 1 FTE. Rounding up acknowledges the impediments of recruiting and retaining part time staff, coverage issues and the lack of economies of scale. By funding regional agencies as a single agency, the counties represented lose the benefit of rounding in the methodology. To illustrate an example, let's assume Agency X has 10,000 cases and has an average employee cost of \$125,000. Allocation for Agency X based on the funding calculator would be \$8,166,103. If Agency X was two counties with 5,000 cases in each office, their allocation would be \$4,299,795 for each office, a total of \$8,599,590. Funding for one office of 10,000 cases would be \$433,487 less than funding two counties of that same size yet each county still staffs an office individually.

Next Steps

The Directors of the regional Child Support Agencies collaborated and wrote a letter to the CSDA Board of Directors asking for their support that all LCSAs be funded using the average FTE cost from the agency and the county caseload in the methodology, not agency caseload – allowing regional agencies to also benefit from the round up feature in the methodology. (Attachment C) The CSDA Board of Directors agreed and spoke with the DCSS Director in January. It was reported that the DCSS Director and Chief Financial Officer acknowledge this oversight but looks to the Association to make a recommendation to DCSS on addressing this issue and other imperfections in the methodology. CSDA has created workgroups to further assess the various issues, but this will be complicated by the fact there is a now fixed amount of money given the budget deficit, and to give the regional LCSAs more money, would mean taking money from other LCSAs to do so.

One other component to consider is the agency's cost effectiveness, a federal performance measure, which divides the amount the LCSA expenditures by the amount of child support collected. Our cost effectiveness last federal fiscal year was \$2.56 – so for every dollar we spent, we collected \$2.56. Cost effectiveness is a measurement to keep an eye on; with any new money our cost effectiveness will decline.

At this juncture, there is not a request for advocacy or action on this issue. The purpose of this update is to provide you with information – We will keep you apprised as the work continues.

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

P.O. Box 419064, Rancho Cordova, CA 95741-9064



February 16, 2023

CSSI LETTER: 23-01 ERRATA

ALL IV-D DIRECTORS
ALL LCSA POLICY COORDINATORS

SUBJECT: ADMINISTRATIVE AND ELECTRONIC DATA PROCESSING
INITIAL ALLOCATIONS FOR STATE FISCAL YEAR 2023-24

REFERENCE: Pursuant to the Administration for Children and Families, Notice of Grant Award, local child support agencies (LCSAs) are notified that the federal award number for child support enforcement funds for state fiscal year (SFY) 2023-24 is 2301CACSES and the Catalog of Federal Domestic Assistance number is 93.563.

PURPOSE: To provide LCSAs with their SFY 2023-24 initial administrative and electronic data processing (EDP) allocations to assist each LCSA with their planning efforts. This letter supersedes CSSI Letter 23-01 and reflects revised administrative allocations.

INFORMATION/BACKGROUND: The SFY 2023-24 proposed Governor's Budget released on January 10, 2023, reflects \$35.8 million additional funding for the Local Child Support Administration for SFY 2023-24. The additional funding requires approval from both houses of the Legislature before it is submitted to the Governor for final decision. As a reminder, this is an initial planning allocation. Adjustments to the initial allocation will be made upon the passage of the annual Budget Act, effective July 1, 2023, or upon the Governor's signature of the Budget Bill. Final allocations will be distributed after the Budget Act for SFY 2023-24 has been passed.

The administrative and EDP annual budget requests for SFY 2023-24 are due to CA DCSS by June 15, 2023. A separate notice will be sent out to LCSAs when the annual budget requests for SFY 2023-24 become available in the Budget and Expenditure Claiming Application (BECA).

Reason for this Transmittal

- State Law, Regulation and/or Change
- Federal Law, Regulation Change
- Court Order or Settlement Change
- Clarification requested by One or More Counties
- Initiated by DCSS

RELEVANT MATERIAL/ATTACHMENTS:

- Attachment I: Outlines funding for administrative expenses, including the continuation of \$18.7 million in Revenue Stabilization funding, the LCSA additional funding of \$8.8 million, the LCSA Augmentation for SFY 2019-20, the COVID-19 Temporary Reduction for SFY 2020-21, additional funding of \$56 million for SFY 2021-22, additional funding of \$59 million for SFY 2022-23, and additional funding of \$35.8 million for SFY 2023-24.
 - Attachment I has been revised to provide an updated allocation distribution for the \$35.8 million proposed in the SFY 2023-24 Governor's Budget. The revision is due to corrections in the data and calculations for specific LCSAs which resulted in a change in numbers used as a basis for determining how much each underfunded received of the \$35.8 million proposal.
- Attachment II: Displays the initial EDP allocations for each LCSA.
- Attachment III: Displays the Regional Administrator and LCSA Fiscal Administrative Analyst assignments.

CONTACT: If you have any questions or concerns regarding the initial administrative or EDP allocations, please contact Carissa Hernandez at (916) 464-5015 or your assigned LCSA Fiscal Administrative Analyst.

Sincerely,

o/s

IRENE BRIGGS
Deputy Director
Administrative Services Division

Attachments

Updated Attachment I

SFY 2023-24 Initial Administrative Allocation

	Base	Revenue	LCSA	LCSA	LCSA	LCSA	LCSA	LCSA	LCSA
	Admin Allocation	Stabilization Augmentation	Additional Funding	SFY 2019-20 Augmentation	SFY 2020-21 COVID-19 Reduction	SFY 2021-22 Additional Funding	SFY 2022-23 Additional Funding	SFY 2023-24 Additional Funding	SFY 2023-24 Initial Allocation
Statewide Total	697,637,887	18,735,000	8,823,531	56,039,054	-56,039,054	56,039,001	59,131,687	35,800,001	876,167,108
Alameda	25,016,301	768,634	65,116	1,451,768	(1,509,646)	1,314,443	1,563,144	75,513	28,745,272
Butte	8,855,398	225,252			(544,839)	-	-	350,807	8,886,618
Central Sierra	4,749,501	191,278			(691,709)	-	-	47,388	4,296,458
Colusa	-	-			-	-	-	-	-
Colusa/Yolo	6,244,626	180,865	-	-	(378,063)	114,599	68,236	6,906	6,237,169
Contra Costa	17,870,997	460,647	161,917	901,976	(1,141,195)	472,643	977,335	-	19,704,320
Del Norte	2,157,387	91,754			(314,880)	-	-	-	1,934,261
Eastern Sierra	1,363,820	25,775			(83,376)	33,571	-	85,844	1,425,634
El Dorado	4,578,589	168,530			(531,836)	-	-	121,318	4,336,601
Fresno	20,871,646	710,470	920,488	5,821,381	(1,572,197)	4,525,985	4,010,075	1,800,045	37,087,892
Glenn	761,109	29,624	6,991	75,714	(45,561)	233,416	367,829	92,751	1,521,873
Humboldt	4,937,924	213,326			(721,175)	-	-	-	4,430,075
Imperial	4,258,337	121,409	69,690	368,462	(283,476)	585,736	402,224	247,887	5,770,270
Kern	21,018,814	551,506	831,116	4,545,278	(1,455,364)	3,020,996	3,183,917	2,308,907	34,005,170
Kings	4,013,652	120,015	20,082	40,356	(246,773)	231,521	935,020	-	5,113,872
Lake	2,541,178	97,559			(369,423)	-	-	117,128	2,386,442
Lassen	1,015,898	22,124			(62,281)	25,618	33,543	40,018	1,074,920
Los Angeles	139,551,887	2,888,017	1,940,316	17,838,512	(9,133,700)	20,070,111	18,824,623	11,737,210	203,716,976
Madera	2,691,383	151,013	30,367	247,694	(172,823)	624,082	816,641	170,784	4,559,143
Marin	3,578,279	94,986			(514,257)	-	-	-	3,159,008
Mariposa	682,132	20,311			(98,342)	1,235	29,285	148,152	782,773
Mendocino	2,940,024	87,172			(423,807)	-	-	-	2,603,389
Merced	9,154,067	222,820	114,795	211,053	(546,436)	660,299	693,246	437,537	10,947,381
Monterey	10,489,652	321,278		223,931	(662,092)	506,381	1,233,606	285,206	12,397,962
Napa	3,913,793	107,984			(563,049)	-	-	36,907	3,495,635
Orange	52,116,912	1,390,597			(4,515,619)	-	100,728	-	49,092,618
Placer	5,915,331	115,644	12,773	153,829	(328,165)	500,107	220,800	118,250	6,708,569
Plumas	816,661	23,405			(50,404)	-	17,492	70,430	877,584
Riverside	32,983,516	908,997	1,299,389	5,434,914	(2,390,401)	4,008,566	6,566,256	3,444,972	52,256,208
Sacramento	31,072,429	801,557	1,174,960	4,706,219	(2,118,217)	4,517,760	2,192,527	4,294,873	46,642,108
San Bernardino	37,001,874	1,142,037	1,493,201	8,160,909	(2,659,638)	5,528,735	6,634,203	741,486	58,042,806
San Diego	44,283,452	950,624		1,119,595	(2,591,469)	2,793,332	4,634,114	3,404,292	54,593,940
San Francisco	11,688,070	349,323			(667,071)	464,647	90,890	-	11,925,860
San Joaquin	14,079,980	409,049	505,849	3,080,361	(1,002,178)	2,447,425	2,467,019	1,955,049	23,942,555
San Luis Obispo	4,293,262	145,859			(621,477)	-	-	149,212	3,966,856
San Mateo	10,529,142	487,328			(1,486,215)	-	29,419	409,847	9,969,520
Santa Barbara	8,652,935	318,981			(527,890)	835,592	311,795	1,165,511	10,756,925
Santa Clara	34,790,654	747,875			(4,975,394)	-	-	-	30,563,135
Santa Cruz/San Benito	8,293,240	196,462			(1,188,558)	-	-	-	7,301,144
Shasta	7,039,899	278,954			(408,351)	-	-	-	6,910,503
Sierra/Nevada	3,963,179	88,368	15,160		(569,339)	-	-	-	3,497,368
Siskiyou/Modoc	2,727,858	122,409	1,397		(399,233)	-	-	-	2,452,431
Solano	11,573,328	301,313		104,477	(704,828)	391,472	259,367	248,311	12,173,441
Sonoma	13,673,497	351,807			(1,963,543)	-	-	-	12,061,761
Stanislaus	14,357,079	350,829	159,924	1,001,635	(933,728)	707,417	1,145,345	-	16,788,501
Sutter	2,890,188	79,450			(174,728)	42,380	147,711	-	2,985,001
Tehama	1,926,743	77,266		1,909	(118,024)	205,543	91,868	218,022	2,403,327
Trinity	661,828	13,946			(39,761)	89,787	241,178	17,098	984,076
Tulare	14,986,026	577,425			(2,178,883)	-	-	938,953	14,323,521
Ventura	20,278,363	535,664		549,081	(815,947)	1,085,603	842,249	301,606	22,776,620
Yolo	-	-			-	-	-	-	-
Yuba	3,786,047	97,480			(543,694)	-	-	211,781	3,551,614

Attachment II

SFY 2023-24 EDP Initial M&O Allocation

County	Initial EDP Allocation
Statewide Total	26,279,216
Alameda	1,146,487
Butte	364,663
Central Sierra	6,830
Colusa	0
Colusa/Yolo	205,192
Contra Costa	437,449
Del Norte	53,000
Eastern Sierra	1,850
El Dorado	265,283
Fresno	1,197,928
Glenn	2,500
Humboldt	0
Imperial	104,042
Kern	688,851
Kings	59,160
Lake	54,575
Lassen	12,850
Los Angeles	4,431,509
Madera	119,204
Marin	146,722
Mariposa	700
Mendocino	70,836
Merced	233,052
Monterey	183,659
Napa	132,478
Orange	2,013,403
Placer	279,911
Plumas	2,892
Riverside	1,294,960
Sacramento	1,431,235
San Bernardino	1,365,927
San Diego	2,302,427
San Francisco	739,889
San Joaquin	524,412
San Luis Obispo	215,192
San Mateo	397,605
Santa Barbara	416,202
Santa Clara	1,535,985
Santa Cruz/San Benito	233,312
Shasta	343,543
Sierra/Nevada	197,133
Siskiyou/Modoc	52,130
Solano	450,241
Sonoma	694,600
Stanislaus	620,042
Sutter	6,714
Tehama	5,730
Trinity	0
Tulare	543,830
Ventura	620,515
Yolo	0
Yuba	72,566

DEPARTMENT OF CHILD SUPPORT SERVICES
Administrative Services Division, Financial Services Branch
LCSA Fiscal and Administrative Support Section (LFASS)

Assignments as of 1/1/2023

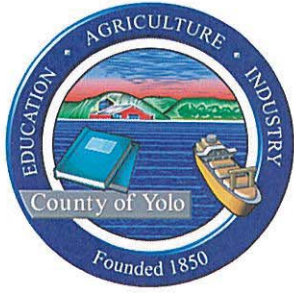
Carissa Hernandez, Manager LCSA Fiscal and Administrative Support Section (LFASS) Carissa.Hernandez@dcss.ca.gov (916) 464-5015			
LFASS Group Mailbox: dcsslcsafiscalandadminsupport@dcss.ca.gov			
LCSA Fiscal Administrative Analysts			

Nancy Bejines	Sophia Moore	Rashelle Acosta
Nancy.Bejines@dcss.ca.gov	Sophia.Moore@dcss.ca.gov	Rashelle.Acosta@dcss.ca.gov
(916) 464-5012	(916) 464-1706	(916) 464-5093

Regional Administrators			
Region 1 (Northern)	Region 3 (Central)	Regions 2 and 4 (Bay Area and Southern)	
Alexis Ramirez Alexis.Ramirez@dcss.ca.gov (916) 464-6813	Anne Stadther Anne.Stadther@dcss.ca.gov (916) 464-5510	Emily Jernigan Emily.Jernigan@dcss.ca.gov (916) 464-5259	
Butte	Central Sierra ¹	Alameda	Imperial
Colusa, Sutter, Yolo ⁸	Eastern Sierra	Contra Costa	Kern
Del Norte	El Dorado	Marin	Los Angeles
Glenn	Fresno	Monterey	Orange
Lake	Kings	Napa	Riverside
Lassen	Madera	San Francisco	San Bernardino
Mendocino	Merced/Mariposa ³	San Mateo	San Diego
North Coast ⁴	Sacramento	Santa Clara	San Luis Obispo
Placer	San Joaquin	Santa Cruz/San Benito ⁵	Santa Barbara
Plumas	Stanislaus	Solano	Ventura
Shasta	Tulare	Sonoma	
Sierra/Nevada ⁶			
Siskiyou/Modoc ⁷			
Tehama			
Yuba			

Regionalized LCSAs

- ¹ Central Sierra - Amador/Alpine/Calaveras/Tuolumne (Amador is lead)
- ² Eastern Sierra – Inyo/Mono (Inyo is lead)
- ³ Merced/Mariposa – (Merced is lead)
- ⁴ North Coast – Humboldt/Trinity (Humboldt is lead)
- ⁵ Santa Cruz/San Benito - (Santa Cruz is lead)
- ⁶ Sierra/Nevada - (Nevada is lead)
- ⁷ Siskiyou/Modoc - (Siskiyou is lead)
- ⁸ Colusa, Sutter, Yolo – (Yolo is lead)



COUNTY OF YOLO

Board of Supervisors

District 1, **Oscar Villegas**
District 2, **Lucas Frerichs**
District 3, **Gary Sandy**
District 4, **Jim Provenza**
District 5, **Angel Barajas**

625 Court Street, Room 204 • Woodland, CA 95695
(530) 666-8195 • FAX (530) 666-8193
www.yolocounty.org

County Administrator, **Gerardo Pinedo**
Sr. Deputy Clerk of the Board, **Julie Dachtler**

March 3, 2023

The Honorable Joaquin Arambula
Chair, Assembly Budget Subcommittee No. 1 on Health & Human Services
1021 O Street, Suite 8130
Sacramento, CA 95814

The Honorable Caroline Menjivar
Chair, Senate Budget & Fiscal Review Subcommittee No. 3 on Health & Human Services
1021 O Street, Suite 6720
Sacramento, CA 95814

RE: Support for Governor's Proposal to Provide an Additional \$35.8 Million to Support LCSAs

Dear Assembly Member Arambula and Senator Menjivar:

I am writing to express Yolo County's support for the Governor's January budget proposal to provide an additional \$35.8 million (\$12.1 million State General Fund) to the California Department of Child Support Services for support of local child support agencies (LCSAs).

Child support is a vital component of efforts to address California's child poverty crisis. The Colusa Sutter Yolo Regional Child Support Agency provides vital child support services to 9,072 children who rely on regular child support payments for basic necessities such as food, shelter and clothing. Many families participating in the child support program are low or very low-income households and are especially dependent on income received from reliable child support payments. As the current budget deficit raises the possibility of reductions in social safety net programs, the availability of child support services is even more important.

Beginning in FY 2002/03, LCSAs were flat funded for over 15 years. A Level of Effort (LOE) study was completed in 2018 which identified appropriate resource levels for each California child support agency, with the intention of providing adequate funding to all LCSAs over a three-year period. The total amount of funding identified as necessary in the LOE study has not been provided, and LCSAs continue to be underfunded. In addition, new program mandates, such as the federal Flexibility, Efficiency and Modernization (FEM) Act, create new workload mandates which are not compensated for in the Governor's budget proposal.

While these LCSA fiscal needs will continue, we recognize the challenging State budget environment within which the committees are working. Yolo County appreciates the inclusion of these funds in the Governor's budget proposal and urges the committees to support their inclusion in the budget.

Sincerely,

A handwritten signature in blue ink that reads "Oscar Villegas". The signature is stylized and includes a long horizontal line extending to the right.

Oscar Villegas
Chair, Yolo County Board of Supervisors

cc: The Honorable Bill Dodd
The Honorable Cecilia Aguiar-Curry

December 14, 2022

Kim Cagno
President
Child Support Directors Association
555 County Center, Floor 2
Redwood City, CA 94063

Dear Ms. Kim Cagno,

As you are well aware, the Department of Child Support Services (DCSS), created under California Family Code § 17200 was designated to administer the Title IV-D state plan for securing child and spousal support, medical support and determining paternity. Each California county or group of counties has a Local Child Support Agency (LCSA) dedicated solely to child support services.

Federal regulations, codified at 45 CFR § 303.20, state that there must be an “organizational structure and sufficient resources at the State and local level to meet performance and time standards.” Consistent with this policy, the California Family Code § 17206 requires that DCSS ensures there is an adequate organizational structure and sufficient staff to perform functions delegated to any governmental unit.

In 2018, the Child Support Directors Association (CSDA) worked in collaboration with DCSS to establish a budget methodology for the allocation of program funds which considers caseload variations between LCSAs and average Full Time Equivalent (FTE) costs to provide the minimum resources to each local agency to complete mandated activities and to meet minimum federal and state management requirements. This methodology was ultimately adopted and is currently being implemented by the State California; with full implementation anticipated to be complete in SFY 2023/2024. Although this methodology provided welcome relief to many local agencies, it needs further analysis as it did not contemplate major program changes including but not limited to implementation of the FEM Final Rule, Uncollectible Debt and Pass Through.

The point of this letter is not to request a change to the budget methodology, but to illustrate how the methodology, in its current state, is not being implemented consistently and as a result negatively affecting counties that have regionalized their child support operations budgets. There are six regional LCSAs, Central Sierra (Alpine, Amador, Calaveras and Tuolumne), Colusa Sutter Yolo, Eastern Sierra (Inyo Mono), Santa Cruz/San Benito, Sierra Nevada and Siskiyou Modoc that are being funded based on combined caseload. Colusa Sutter Yolo, given the recency of their regionalization is currently transitioning to a single allocation. There are two

LCSAs, North Coast (Humboldt and Trinity) and Merced/Mariposa who are already funded based on county allocation, as opposed to an agency formula.

Board of Supervisors and JPA Agreements typically require regional agencies to have offices in each of the county jurisdictions as there are unique local communities needing child support services, separate Superior Courts as well as local interface partner relationships to maintain such as with Health and Human Services, One Stop Employment Services, etc. Staffing for each of the offices, including some level of redundancy for vacation, sick leave and safety (ensuring that staff are not working alone, and that the proper user security roles are reflected by staff on site) is essential. Circumstances are more challenging given the need to have staff including attorneys adhere to the requirements of and appear at different Superior Courts, coupled with the challenges of travel and working in rural and often isolated communities. Most of the counties represented by regional child support agencies are small or very small. An adjustment to the budget methodology made early on, recognized the unique circumstances of small and very small counties by incorporating a round up feature relative to staffing. Such that if the methodology reflects a .6 FTE for example, the figure is rounded up to 1 FTE. Rounding up acknowledges the impediments of recruiting and retaining part time staff, coverage issues and the lack of economies of scale. By funding regional agencies as a single agency, the counties represented lose the benefit of rounding in the methodology. To illustrate an example, let's assume Agency X has 10,000 cases and has an average employee cost of \$125,000. Allocation for Agency X based on the funding calculator would be \$8,166,103. If Agency X was two counties with 5,000 cases in each office, their allocation would be \$4,299,795 for each office, a total of \$8,599,590. Funding for one office of 10,000 cases would be \$433,487 less than funding two counties of that same size yet each county still staffs an office individually.


The Directors of the regional child support agencies in California request the support of CSDA in ensuring that DCSS funds regional agencies based on the caseload and FTE cost of each county represented in the agency, not as a consolidated agency. The combined allocation for the six regional LCSAs is \$25,948,287, with this change the county-based allocation would be \$30,290,893, a difference of \$4,342,606 (using the SFY 2022/23 Budget Calculator).

A goal of regionalization was to be more efficient by leveraging the available resources while meeting the needs of each county. By not giving each county what they need, the counties that have chosen to regionalize are being punished for working to be more efficient. We do not believe this is DCSS's intent, but ultimately this is the outcome.

We respectfully note that we are only asking that all California counties be funded using the same methodology and are not asking that the budget methodology be changed for this reason nor are we seeking changes to how the regionalized counties receive their funding, as one allocated amount or based upon county allocation. We do not anticipate this change creating an increased workload for DCSS and could create new efficiencies for state and local staff when agencies choose to consolidate the budget process. We also do not anticipate this affecting non

regionalized LCSAs, as California has already committed to using the funding methodology, and the total funds needed should be reflected in the DCSS Budget Change Proposal (BCP).

Sincerely,



Julie Prado
Central Sierra Regional Child Support Agency



Natalie Dillon
Colusa Sutter Yolo Regional Child Support Agency



Amy Weurdig
Eastern Sierra Regional Child Support Agency



Sharon Wardale Trejo
Merced/Mariposa Regional Support



Bennett Hoffman
North Coast Regional Child Support Agency



Jamie Murray
Santa Cruz/San Benito Child Support



Mike Dent
Sierra Nevada Regional Child Support Agency



Gary Sams
Siskiyou Modoc Regional Child Support Agency

cc: Interim CSDA Executive Director, John Adams
CSDA Board of Directors
Terrie Hardy, Director, Los Angeles County Child Support Services Department

Marie Girulat, Director, San Bernardino County Department of Child Support Services
Sean Ferrell, Director, Butte County Department of Child Support Services
Kimberly Britt, Director, Riverside County Department of Child Support Services
Dalen Frederickson, Sacramento County Department of Child Support Services
Maria Arzola, Orange County Department of Child Support Services
Kelley Cote, Lassen County Department of Child Support Services
Marcus Mitchell, Ventura County Department of Child Support Services
Tonya Moore, Tehama County Department of Child Support Services
Phyllis Nance, Alameda County Department of Child Support Services
Natalie Walter, San Luis Obispo County Department of Child Support Services

REGIONAL FUNDING - ONE ALLOCATION VERSUS FUNDING BY COUNTY

Inyo/Mono	
Current Allocation	\$1,339,790.00
Based on Calculator:	
Inyo Only	\$926,986.00
Mono Only	\$791,544.00
New Total	\$1,718,530.00
Difference	\$378,740.00

Siskiyou/Modoc	
Current Allocation	\$1,927,151.00
Based on Calculator:	
Siskiyou	\$1,686,250.00
Modoc	\$602,232.00
New Total	\$2,288,482.00
Difference	\$361,331.00

Sierra Nevada	
Current Allocation	\$3,123,440.00
Based on Calculator:	
Sierra Only	\$1,082,331.00
Nevada Only	\$2,754,334.00
New Total	\$3,836,645.00
Difference	\$713,205.00

Central Sierra	
Current Allocation	\$4,032,646.00
Based on Calculator:	
Amador Only	\$1,361,296.00
Alpine Only	\$907,530.00
Calaveras Only	\$1,512,551.00
Tuolumne Only	\$1,975,018.00
New Total	\$5,756,395.00
Difference	\$1,723,749.00

Colusa/Sutter/Yolo	
Current Allocation	\$9,478,818.00
Based on Calculator:	
Colusa Only	\$1,013,237.00
Sutter Only	\$3,546,328.00
Yolo Only	\$5,743,365.00
New Total	\$10,302,930.00
Difference	\$824,112.00

Santa Cruz/San Benito	
Current Allocation	\$6,046,442.00
Based on Calculator:	
Santa Cruz Only	\$4,204,474.00
San Benito Only	\$2,183,437.00
New Total	\$6,387,911.00
Difference	\$341,469.00

Total Estimated Cost: \$4,342,606.00

	Difference	Current	New
Inyo Mono	\$378,740.00	\$1,339,790.00	\$1,718,530.00
Sisk/Modoc	\$361,331.00	\$1,927,151.00	\$2,288,482.00
Sierra Nev	\$713,205.00	\$3,123,440.00	\$3,836,645.00
Central Sie	\$1,723,749.00	\$4,032,646.00	\$5,756,395.00
CSY	\$824,112.00	\$9,478,818.00	\$10,302,930.00
SC/SB	\$341,469.00	\$6,046,442.00	\$6,387,911.00
	\$4,342,606.00	\$25,948,287.00	\$30,290,893.00

Example:	
10,000 cases @ 125,000 average cost	\$8,166,103.00
5000 cases @ 125000 average cost	\$4,299,795.00
5000 cases @ 125000 average cost	\$4,299,795.00
difference	\$433,487